

Region of Waterloo
Transportation Services
Rapid Transit

To: Sustainability, Infrastructure, and Development Committee
Meeting Date: November 4, 2025
Report Title: Rapid Transit to Cambridge - Initial Business Case Recommended Option

1. Recommendation

That the Regional Municipality of Waterloo take the following action regarding the Region’s proposed extension of Rapid Transit to Cambridge, as outlined in report TSD-RTS-25-003, dated November 4, 2025:

- a) Endorse a full-length extension from Fairway Station in Kitchener to Downtown Cambridge as the preferred route length;
- b) Endorse Light Rail Transit (LRT) as the preferred vehicle technology; and
- c) Direct staff to pursue full funding from the Provincial and Federal governments for project development and implementation.

2. Purpose / Issue:

This report recommends route length and vehicle technology, based on the Stage 2 Rapid Transit to Cambridge Initial Business Case (IBC) results and on public and stakeholder feedback. This report also outlines the next steps to advance the project towards implementation.

3. Strategic Plan:

Rapid transit service helps achieve each priority of the Strategic Plan:

- **Homes for All** – sustained transit investments promote transit-supportive development and unlock access to affordable housing options across the region.
- **Climate-aligned Growth** – rapid transit reduces greenhouse gas emissions through increased transit usage, while promoting sustainable development, and reduces financial burden of rideshare services or car ownership.
- **Equitable Services and Opportunities** – all day, everyday transit service enhances social and economic resiliency by connecting our residents to community services and supports, and local jobs.
- **Resilient and Future Ready Organization** – a frequent transit network optimizes the transit fleet and staff, making transit operations more efficient.

4. Report Highlights:

- The IBC concludes that extending the LRT from Fairway to Downtown Cambridge provides the greatest economic benefits for Waterloo Region and achieves all the project's strategic goals, while having the highest capital, operating and maintenance costs.

BRT from Fairway to Downtown Cambridge has lower capital, operating and maintenance costs than LRT but delivers less economic benefit and achieves many, but not all the project's strategic goals. The partial LRT options fall short of the economic benefits and fail to achieve the project's strategic goals unlike the full-length options.

- Staff met with residents and key stakeholders from August to October to get their thoughts on rapid transit and which options would benefit Cambridge.
- Over 2,500 responses were received on Engage Waterloo Region with 78% of respondents selecting the extension of LRT from Fairway Station to Downtown Cambridge as their preferred option. 53% of respondents live in Cambridge.
- Developer, business and community stakeholders indicated LRT from Fairway Station to Downtown Cambridge is their preferred option, demonstrating commitment to increased development and opportunities in Cambridge.
- While BRT is considered a good option, stakeholders did not show the same enthusiasm and felt it could limit the potential of future transit ridership and future development.
- The development community noted that the choice of vehicle technology is taken as a signal of government confidence in and commitment to the corridor.
- A phone and online survey was conducted by Ipsos, sampling 1,600 Region of Waterloo residents. 75% of those respondents selected the extension of LRT from Fairway Station to Downtown Cambridge as their preferred option, with 54% expressing strong support.
- Based on the results from the IBC and feedback from residents and stakeholders, staff recommend that Regional Council endorse the option which extends LRT from Fairway Station to Downtown Cambridge.
- Upon Regional Council approval of the route length and vehicle technology, staff will begin to immediately pursue, and advocate for, full funding of the project from the Government of Canada and Government of Ontario.

5. Background:

- The expansion of rapid transit aligns to the transit investment priorities outlined in the Grand River Transit (GRT) Business Plan approved in June 2025. By increasing the speed and reliability of transit services, providing transit service to new areas and making the service easier to use, GRT can support the Region's commitment to grow with care towards one million residents.
- Rapid transit creates communities where residents want to live and work. As per report PDL-GDS-25-013, dated November 4, 2025, Stage 1 ION has led to \$5.25 billion in development along the Central Transit Corridor (CTC). It also led to more than 22,000 new homes along the corridor between 2011 and 2024.
- Completing the rapid transit line to Cambridge builds on the success of Stage 1 and Stage 2 will bring the same benefits to Cambridge residents.
- The IBC examined various routes and vehicle types and compared the benefits, costs, and potential ridership of these options. It evaluated them on:
 - Strategic benefits
 - Economic benefits
 - Capital cost estimates
 - Operating and maintenance cost estimates

Project Alternatives

As directed by Regional Council this IBC includes various project alternatives for comparison (Table 1), not just a single project design.

Table 1: Initial Business Case Alternatives

ID	Vehicle	From	To	Length (km)	Peak Freq. (min)	Trip time (min)
L1	LRT	Fairway Station	Downtown Cambridge	17	7	29
L2	LRT	Fairway Station	Pinebush Station	11	7	19
L3	LRT	Fairway Station	Delta Station	14.5	7	25
L4	LRT	Preston Station	Downtown Cambridge	10	7	17
B5	BRT	Fairway Station	Downtown Cambridge	17	5	29

For a map of the alternatives, description of the rapid transit technology, description of the alternatives and the operating assumptions see Appendix A.

The draft IBC results were presented to Regional Council on September 9 at the Sustainability, Infrastructure and Development Committee meeting. The findings are detailed in Appendix B.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities: The Rapid Transit Project Team includes representation from the City of Cambridge and the City of Kitchener. Consultation with area municipal staff and other stakeholder groups continues to be a priority at each step of project development.

Public: From August until the end of October, the public had an opportunity to weigh in on the goals of Rapid Transit, as well as the IBC draft results. A full summary of public engagement initiatives and findings is available in Appendix C. The following provides a high-level summary.

Rapid transit engagement by the numbers

- About 12,000 visits to the Engage Waterloo Region page
- More than 2,500 Engage Waterloo Region survey responses
- Staff attended 30 events to engage the public and hand out info
- 2,800 handouts distributed at information sessions, community events and transit stations
- 11,000 flyers distributed along the proposed route
- 160,000 views of social media posts
- More than 1,600 participants in the Ipsos survey

Engage WR survey results

- 78% of respondents want full LRT extension
- 53% of survey respondents were from Cambridge
- Of those Cambridge respondents, 74% want full LRT extension
- Regardless of how often people ride transit, they see the benefits of LRT; even people who indicated that they rarely or never ride transit want to see full LRT

Ipsos survey results

- Support for Stage 2 stands at a robust 75% across the Region, with 54% expressing strong support
- While Cambridge shows slightly lower support (72% vs. 76% outside), opposition remains limited to 22% in Cambridge—meaning support exceeds opposition by more than 3 to 1
- Across the Region, residents prefer LRT over BRT (54% vs 22%), while 23% have no preference
- 70% of residents indicate their decision is firm, suggesting public opinion unlikely to shift

7. Financial Implications:

	Current Year	Future Year(s)
Budget Impact?	No new impact	No new impact
Capital Plan Impact?	No new impact	No new impact

The Region's approved 2025-2034 Rapid Transit Capital Program includes \$1,515,000 in 2025 for Phase 2 Environmental Assessment (project #68024) to be funded from the

Regional Transportation Master Plan (RTMP) Reserve Fund (61%, \$924,150) and from the Development Charge Reserve Fund (39%, \$590,850). The budget is sufficient to complete the IBC.

The Regional Transportation Master Plan Reserve Fund was funded through dedicated annual increases to the Urban Transit levy, which were area-rated to the three cities only. The reserve was created specifically to fund LRT planning, design, and construction, including the Stage 1 and 2 business cases.

The Development Charge Reserve Fund is funded by Transit Development Charge contributions, which only apply to developments within the three cities.

8. Conclusion / Next Steps:

Upon approval of preferred vehicle technology and route length staff will begin to immediately pursue, and advocate for, full project funding from the Provincial and Federal governments.

The project will move into the detailed design and pre-construction phase of work. In this phase, work will continue with heritage assessments, utility relocates, environmental field work and detailed design.

During the 2026 Annual Plan and Budget Process, a proposal will outline additional staff and capital funding required for the next phase.

Staff will provide a progress report on deliverables and funding updates in 2026.

9. Attachments:

Appendix A: Initial Business Case Alternatives

Appendix B: Initial Business Case Results

Appendix C: Stage 2 Rapid Transit to Cambridge Engagement Summary

Appendix D: Stage 2 IBC recommendation presentation

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